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RECORDATION NO. 20358-F FILED

APR 05 '01 : 1-43 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

April 5, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Sublease Agreement, dated as of March 7, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Amended and Restated Railroad Lease Agreement which was previously filed with the Board under Recordation Number 20358-D.

The names and addresses of the parties to the enclosed document are:

Sublessor: Bangor & Aroostook Railroad Company
Northern Maine Junction Park
RR2 Box 45
Bangor, Maine 04462

Sublessee: Great Northern Paper, Inc.
One Katahdin Avenue
Millinocket, Maine 04462

A description of the railroad equipment covered by the enclosed document is:

Forty-five (45) woodchip cars: BAR 13000 – BAR 13044 inclusive.

Mr. Vernon A. Williams
April 5, 2001
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A short summary of the document to appear in the index is:

Memorandum of Sublease Agreement, dated as of March 7, 2001,
between Bangor & Aroostook Railroad Company, Sublessor, and Great
Northern Paper, Inc., Sublessee, covering forty-five (45) woodchip cars:
BAR 13000 – BAR 13044 inclusive.

Also enclosed is a check in the amount of \$28.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/bjg
Enclosures

MEMORANDUM OF SUBLEASE AGREEMENT
As of March 7, 2001

THIS MEMORANDUM OF SUBLEASE AGREEMENT is intended to evidence the SUBLEASE AGREEMENT dated as of March 7, 2001 (the "Sublease"), by and between BANGOR & AROOSTOOK RAILROAD COMPANY, Northern Maine Junction Park, RR2 Box 45, Bangor, Maine 04401-9602 as Lessee and Sublessor ("Sublessor"), and GREAT NORTHERN PAPER, INC., One Katahdin Avenue, Millinocket, ME 04462, as Sublessee ("Sublessee"), for the purpose of satisfying the requirements of recordation with the United States Department of Transportation Surface Transportation Board ("STB") under 49 USC Section 11301 and with the Registrar General of Canada under applicable law. The Sublease covers 45 Forty-Five (45) 7,200 cubic foot Woodchip Cars Bearing Car Numbers BAR 13000-13044 (the "Subleased Cars"). The Subleased Cars have been leased by Sublessor from Compass Rail II ("Lessor") pursuant to that Amended And Restated Railroad Equipment Lease Agreement dated as of May 1, 1998, (as supplemented and amended, the "Lease"), (STB Recordation Number 20358D), and the Sublease is subject and subordinate to the Lease.

IN WITNESS WHEREOF, Lender and Borrower have caused this Memorandum to be duly executed all as of the date first above written, and the undersigned hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below their signatures.

Sublessor: Bangor & Aroostook Railroad Company

By: BF Collins
Title: VICE PRESIDENT + DCO
Dated: MARCH 19, 2001

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STATE OF MAINE)
COUNTY OF PENOBSCOT)

SURFACE TRANSPORTATION BOARD

On this 19th day of MARCH, 2001, before me personally appeared BF COLLINS, to me personally known, who being by me duly sworn says that such person is VP + DCO of BANGOR & AROOSTOOK RAILROAD COMPANY, that the foregoing Memorandum of Sublease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Norma J. Sullivan
Notary Public
My commission expires 5/13/2007

Sublessee: Great Northern Paper, Inc.

By: [Signature]
Title: PRESIDENT
Dated: MARCH 27, 2001

STATE OF MAINE)
COUNTY OF PENOBSCOT)

This 27 day of MARCH, ~~1999~~ 2001 before me personally appeared ELDON DOODY, to me personally known, who being by me duly sworn says that such person is ELDON DOODY of GREAT NORTHERN PAPER, INC. that the foregoing Memorandum of Sublease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kathleen Healey
Notary Public
My commission expires 06/06/05